

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 22-CV-22538-ALTMAN/Reid

DOMINIK KARNAS, *et al.*,

Plaintiffs,

v.

MARK CUBAN, *et al.*,

Defendants.

**DEFENDANTS MARK CUBAN’S AND DALLAS BASKETBALL LIMITED d/b/a
DALLAS MAVERICKS’ RESPONSE TO PLAINTIFFS’ NOTICE OF SUPPLEMENTAL
AUTHORITY [ECF NO. 318] REGARDING PLAINTIFFS’ MOTION TO CERTIFY
NATIONWIDE ISSUE CLASSES [ECF NO. 231]**

Pursuant to S.D. Fla. LR 7.8, Defendants MARK CUBAN and DALLAS BASKETBALL LIMITED d/b/a DALLAS MAVERICKS respond to Plaintiffs’ Notice of Supplemental Authority [ECF No. 318] (the “Notice”) concerning a recent order entered by the Honorable Kevin Castel of the Southern District of New York in *Roberts v. Ehrlich*, 22-cv-0950-PKC, ECF No. 111 (S.D.N.Y. Oct. 8, 2024) (the “Order”).

Contrary to Plaintiffs’ Notice, the Order underscores the problems with this case. First, the Order affirms that this case should be dismissed for failure to add Voyager under Rule 19. It is *Voyager’s* sale of allegedly unregistered securities that is central to this case, and the Order, which approves settlement of claims against Voyager’s management arising from the same transactions and timeframe as alleged here, confirms that Voyager is a necessary party to this action. *See* ECF No. 189 (Defendants’ Motion to Dismiss) at 32-33.

Second, the settlement the Order approves—only \$6.5 million to resolve claims from “all . . . customers of Voyager . . .”—reflects the *Roberts* plaintiffs’ low valuation of claims against the issuer, which confirms the weakness of the claims here against only two of Voyager’s alleged third-party promoters. *See* Notice at 1.

Third, the Order fails to support Plaintiffs’ argument for class certification because the viability of class notice is irrelevant to Plaintiffs’ burden of showing that common issues

predominate concerning their proposed issue classes. *See* ECF No. 265 (Defendants' Response to Plaintiffs' Class Certification Motion) at 8-14.

Finally, the Notice should be stricken because it far exceeds Local Rule 7.8's word limit.

Date: October 24, 2024

Respectfully submitted,

/s/ Christopher E. Knight

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CERTIFICATE OF SERVICE

I hereby certify that on October 24, 2024, the foregoing document was electronically filed with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record via the Court's CM/ECF which will send notification of such filing to all attorneys of record.

/s/ Christopher E. Knight
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